



COUNTY OF LOS ANGELES
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October 29, 2012

TO: Each Supervisor

FROM: Cynthia A. Harding, M.P.H.
Acting Chief Deputy Director

SUBJECT: **NOTIFICATION OF INTENT TO ENTER INTO THREE SOLE SOURCE CONTRACTS AND REQUEST DELEGATED AUTHORITY TO APPROVE INCREASES OR DECREASES OF GREATER THAN 10 PERCENT OF THE TOTAL CONTRACT AMOUNT**

This is to notify you that the Department of Public Health (DPH) intends to request delegated authority to execute three sole source contracts with: 1) Neva Chaupette, Psy.D.; 2) St. John's Well Child and Family Center; and 3) University of California at Los Angeles (UCLA), to implement Integrated Behavioral Health and Primary Care (IBHPC) program services, including training, technical assistance and evaluation services for mental health treatment, substance use treatment, substance use prevention, and HIV testing. Only one (St. John's Well Child and Family Center) of the three agreements, is over \$250,000 and requires advance notice to the Board. DPH also intends to request delegated authority to approve increases or decreases in funding up to 25 percent above or below each term's annual base maximum obligation.

In accordance with Board policies 5.100 and 5.120, prior Board notice is required for any department requesting to enter into negotiations for a Board-approved sole source contract in excess of \$250,000, and to request delegated authority to increase Board-approved contracts by over 10 percent.

Background

In April 2011, the Substance Abuse and Mental Health Services Administration (SAMHSA) released Request for Application (RFA) Number SM-11-006 titled, "Minority AIDS Initiative Targeted Capacity Expansion: Integrated Behavioral Health/Primary Care Network Cooperative Agreements." In June 2011, DPH submitted an application in response to the RFA. Subsequently, in September 2011, DHSP was notified of its award for the IBHPC Program. DHSP negotiated with SAMHSA to identify another qualified provider since one of the initial providers identified in the grant application, Los Angeles Gay and Lesbian Center (LAGLC), received a separate award from Los Angeles County's Department of Mental Health for integrated mental health services, thereby eliminating the need for SAMHSA-supported services in the geographic area served by LAGLC.

The IBHPC program provides comprehensive behavioral health services to include mental health treatment, substance use treatment, substance use prevention, addiction medicine, and HIV testing. These services are co-located and coordinated through a centralized primary care provider with the purpose of eliminating barriers, reducing health disparities, decreasing HIV risk and incidence, and improving health outcomes by addressing the "whole patient." It is anticipated that the services offered through the IBHPC program will contribute to reducing the impact of behavioral health problems, including an increase in patient functionality; adherence to medical care; a reduction in HIV risk and incidence; health disparities; and behavioral health problems. In doing so, the burden and expense of emergency department treatment and hospitalizations in Service Planning Area (SPA) 6 may be reduced.

On April 3, 2012, your Board approved DPH's acceptance of the IBHPC grant for DHSP's management and oversight of the IBHPC activities. Due to finalizing the programmatic requirements and negotiations with the selected providers, DHSP was unable to include these three sole source contracts for Board consideration at that time.

Justification to Enter into Sole Source Contracts

To fully implement the IBHPC program outlined above, DPH recommends contracting with the three agencies through sole source contracts. These entities will work together to implement this program. St. John's will provide access to the clients within their clinics and clinical staff to provide services; UCLA will develop the protocols and the evaluation guidelines; and Dr. Chauppette will work with clinic staff to seamlessly integrate this innovative program into the clinic's existing services and ensure quality of care and treatment.

St. John's and UCLA have the requisite experience and skills to implement the program in a timely and efficient manner. The contractors have access to the populations in the County who are at highest risk for HIV infection. Over a number of years, they have consistently demonstrated successful client engagement strategies as reflected by the number of clients they serve on an annual basis for an array of mental health treatment, substance use treatment, substance use prevention, HIV testing and other supportive services.

Dr. Chauppette is a licensed mental health practitioner and has over 15 years of on-the-ground experience providing addiction and mental health care. She has the training and technical expertise to provide critical guidance on the operationalization and implementation of behavior change programs specific to individuals with HIV/AIDS, substance abuse histories and mental illness.

Justification for 25 Percent Delegated Authority

While every effort is made to maximize these funds and thereby maximize the effectiveness of the funded services, it remains important to have the authority to increase or decrease contracts in order to match utilization and need. Due to the startup of the new intervention and new funding, it is possible that a 10 percent delegated authority may be insufficient to allow for timely program cost increases that may result due to increased client demand. Given that St. John's and UCLA will be serving the highest risk populations in the SPA 6 area, it is crucial that DPH have the flexibility to modify the SAMHSA grant-funded contracts due to the potentially high levels of client need, as well as to provide for additional training and technical assistance provided by Dr. Chauppette.

A 25 percent delegated authority will enable DPH to amend these contracts to allow for the provision of additional units of funded services that are above the service level identified in the current contract and/or the inclusion of unreimbursed eligible costs, based on the availability of grant funds and DPH Director or his designee's approval. While the County is under no obligation to pay a contractor beyond what is identified in the original executed contract, the County may determine that the contractor has provided evidence of eligible costs for qualifying contracted services, and that it is in the County's best interest to increase the maximum contract obligation as a result of receipt of additional grant funds or a determination that funds should be reallocated. This recommendation will have no impact on net County cost. This authority is being requested to enhance DPH's efforts to expeditiously maximize grant revenue, consistent with *Board Policy 4.070: Full Utilization of Grant Funds*.

Notification Timeline

The Board letter to request the delegated authority to execute these sole source contracts is projected for the Board meeting of December 4, 2012. To allow time for your review and comments, we will not enter into negotiations until ten business days following the date of this memorandum.

If you have any questions or would like additional information, please let me know.

JEF:mmc

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors